

OFFICE OF CONSERVATION STATE OF LOUISIANA

1

OILFIELD SITE RESTORATION COMMISSION MEETING

REPORT OF HEARING

HELD AT

BATON ROUGE, LOUISIANA

OCTOBER 20, 2011

1	OFFICE OF CONSERVATION	2
2	STATE OF LOUISIANA	
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4	OILFIELD SITE RESTORATION COMMISSION MEETING	
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7	Report of the public hearing held by the Office of	
8	Conservation, State of Louisiana, on October 20, 2011,	
9	in Baton Rouge, Louisiana.	
	In Daton Rouge, Bourstana.	
	IN ATTENDANCE:	
12	REPRESENTING:	
13	REFRESENTING.	
	Carab Magnan Dirrigion OCD Engineer	
14	Sarah Wagner, Division OSR Engineer	
15	James Welsh, Office of Conservation	
16	Bob Harper, Department of Natural Resources	
17	Paul Frey, Commissioner for LLA	
18	Michael R. Lyons, Commissioner for Mid-Continent	
19	Randy Lanctot, LWF, Sierra & Audubon Society	
20	Blake Canfield, Staff, Office of Conservation	
21		
22		
23	OTHERS PRESENT:	
24	Rob Forshee	
25		

1	OILFIELD SITE RESTORATION COMMISSION MEETING	3
2	OCTOBER 20, 2011	
3	* * * *	
4	MR. WELSH:	
5	Good afternoon, ladies and gentlemen. I would	
6	like to welcome you all to the quarterly Oilfield Site	
7	Restoration meeting.	
8	This is the last scheduled meeting for the year,	
9	and I would especially like to thank all the	
10	Commissioners here for their effort every quarter to	
11	come to these meetings. It is a good program, and it	
12	is important, and I certainly personally do appreciate	
13	the effort. So we'll get started.	
14	Sarah, would you call the roll?	
15	MS. WAGNER:	
16	Yes, sir. Please answer the roll when your name	
17	is called.	
18	Scott Angelle?	
19	MR. HARPER:	
20	Robert Harper for Secretary Angelle.	
21	MS. WAGNER:	
22	Jim Welsh?	
23	MR. WELSH:	
24	Here.	
25	MS. WAGNER:	

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Paul Frey?
 1
 2
    MR. FREY:
 3
         Here.
    MS. WAGNER:
 5
         Don Briggs?
 6
         (No response.)
    MS. WAGNER:
 7
 8
         Karen Gautreaux?
 9
         (No response.)
10
    MS. WAGNER:
11
        Randy Lanctot?
12
   MR. LANCTOT:
13
        Here.
14 MS. WAGNER:
15
     Jim Maranto?
16
        (No response.)
17 MS. WAGNER:
18
        Mike Lyons?
19 MR. LYONS:
20
        Here.
   MS. WAGNER:
21
22
        Troy Vickers?
23
        (No response.)
24 MS. WAGNER:
25
         Commissioner, that is five in attendance and does
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5 1 constitute a quorum. 2 MR. WELSH: 3 Thank you, Sarah. 4 We do have a quorum. 5 MS. WAGNER: 6 We are currently waiting to hear from the Boards 7 and Commissions Office on the Governor's approval on 8 the nominees submitted on behalf of the Louisiana Oil 9 and Gas Association that would replace Mr. Fruge who 10 has resigned the Commission due to health reasons. 11 Item II on the agenda is to approve the minutes 12 from the July 21st Commission meeting. The meeting 13 transcript was e-mailed to each of you. Please let me know if you did not receive it, so I can check your 14 e-mail address. 15 16 Otherwise, a motion to approve the minutes? 17 MR. LYONS: I'll make a motion. 18 19 MR. WELSH: All right. Mr. Lyons makes a motion to approve. 20 21 Do we have a second? 22 MR. FREY: 23 Second. 24 MR. WELSH: 25 Mr. Frey, okay.

Any discussion? 1 2 (No response.) 3 MR. WELSH: 4 Okay. Do you all have any objection to approving 5 the minutes? 6 (No response.) 7 MR. WELSH: 8 Hearing none, the minutes are approved. 9 MS. WAGNER: 10 Okay. Thank you. If it is okay with the Commission, I would like to 11 takes number items out of order and go ahead and get 12 Item VIII done with first. 13 14 MR. WELSH: 15 Okay. Which one are we doing now? 16 MS. WAGNER: 17 I am going to take Item VIII. MR. WELSH: 18 19 VIII, okay. 20 MS. WAGNER: 21 The approval of the new contractors next. 22 MR. WELSH: 23 Okay. 24 MS. WAGNER: The first contractor to consider for approval is

Boh Bros. Construction Company, LLC, out of New 1 Orleans, Louisiana. They are interested in bidding on 2 3 projects that are located in the Lafayette District. The second contractor for approval is Specialty Diving of Louisiana, Incorporated, out of Loranger, Louisiana. 5 They are interested in all project areas. The last 6 contractor for approval is Gulf Con, LLC, out of Belle 7 8 Chasse, Louisiana, and they are interested in water projects. These additions would bring the approved contractor's list to 63. The staff has reviewed the 10 applications and found them to be complete and 11 recommends approval. 12 MR. WELSH: 13 Do we have any discussion on any of these 14 15 contractors? (No response.) 16 17 MR. WELSH: Hearing no discussion --18 MR. LANCTOT: 19 20 I move we adopt the contractors. 21 MR. WELSH: Okay. Motion to adopt the three contractors. 22 Do we have a second? 23 24 MR. LYONS: 25 Second.

1	MR. WELSH:	8
2	Mr. Lyons.	
3	Any objection to these three contractors being on	
4	the approved contractor's list?	
5	(No response.)	
6	MR. WELSH:	
7	No objections, you can add them, please.	
8	MS. WAGNER:	
9	Thank you.	
10	Item III on the agenda concerns status of the	
11	Fund. If you would, please, turn to Page 2 of your	
12	handout. As of today, there is approximately \$2.6	
13	million at the Treasury. We have over \$1.7 million in	
14	contractual obligations, so there is currently	
15	approximately \$885,939 cash available.	
16	The first quarter collections totaled	
17	approximately \$1.6 million, and we anticipate	
18	collections approximately of \$4.2 million again this	
19	fiscal year.	
20	The next page, Page 2A, in your handout is a	
21	supplement to the Fund balance sheet demonstrating the	
22	annual fee collections per fiscal year since Program	
23	inception. The fiscal year 2011 closed out with a	
24	total Fund collection of \$4,242,000.	
25	Pages 3 and 4 in your handout include the details	

1	on the Site-Specific Trust Accounts. Page 3 itemizes 9
2	all of the accounts that the Program administers,
3	which is currently 786 active wells that are secured
4	with a combination of cash, letters of credit,
5	certificate of deposits, and performance bonds, that
6	total approximately \$48.3 million.
7	Page 4 in the handout details the Site-Specific
8	Trust Accounts that are funded in any part with cash.
9	An internal audit was conducted on these cash
10	site-Specific Trust Accounts, and no issues were
11	found. All records were reconciled, and I have
12	included the audit report for the record located on
13	Pages 15 and 16 of your handout.
14	Item IV on the agenda concerns Program
15	statistics. If you could, please, turn to Page 5 in
16	your handout, on the left side of the page are the
17	statistics as of today, and on the right side, for
18	comparison, are the statistics presented at the July
19	Commission meeting. Starting at the top of the page,
20	to date, the Program has plugged and abandoned 2,486
21	orphaned wells. Four wells have been plugged by the
22	Program since we last met.
23	If you continue down the page to Section 3, orphan
24	wells remaining statewide, there are currently 2,816
25	orphan wells.

Section 4 lists the recently-orphaned well count. 10 1 Three wells were orphaned for August, no wells were 2 orphaned in September, and seven orphaned today for 3 the month of October. 4 If you will direct your attention to Page 6, I 5 have included a graph showing the current orphan well 6 count in the state compared to the cumulative number 7 of wells plugged by the Program. The first quarter of 8 the fiscal year ended September 30th, with the Program 9 having plugged and abandoned three urgent and 10 high-priority scored wells making progress toward the 11 new performance indicator for a fiscal year-end total 12 of 18 urgent and high-priority scored wells plugged 13 and abandoned by the Program, utilizing 60 percent of 14 the Fund revenue. Twelve percent of the first quarter 15 collections were utilized in the well plug and 16 abandonment costs of the three urgent and 17 high-priority scored wells. 18 The next page in the handout, Page 7, details the 19 current OSR projects, that is Item V on the agenda. 20 Line Item No. 1 under "Active Oilfield Projects" is the 21 emergency bid for a contractor to provide and install 22 U.S. Coast Guard approved navigational aids on 166 23 identified orphan well sites. This emergency bid 24 proposal was issued on April 6, 2011, in order to 25

1	accomplish installation of navigational aids on the 1	1
2	1A, 1, 2, and 3 priority-ranked sites in the C.H.	
3	Fenstermaker emergency investigation. The project was	
4	awarded to Gulf Contractors, LLC, in the amount of	
5	\$648,739.98. A Notice to Proceed was issued to the	
6	contractor on June 29, 2011. Approval for the first	
7	101 well site installations has been granted by the	
8	Coast Guard, and the representative from Gulf	
9	Contractors, Mr. Rob Forshee, is here today to give	
10	you an update on the installation projects.	
11	(A PowerPoint presentation will be presented at	
12	this time by Mr. Forshee.)	
13	MR. FORSHEE:	
14	Good afternoon. Of course, we have progressed	
15	quite well on this project so far, on the little	
16	presentation that I have for you all up here on the	
17	overhead projector.	
18	Of course, all these sites have to be done per	
19	U.S. Coast Guard regulations. The installation	
20	requirements are as per 33 C.F.R. 67 in the 8th	
21	District policy. 33 C.F.R., Aids to Navigation, is an	
22	artificial island and fixed structures regulation.	
23	There are three classes of structures. We have two of	
24	these types. Only one falls under the Class B. The	
25	remainder fall under the Class C category.	

This is the -- the types of nav-aid lights that we 12 1 are utilizing on the project. The Class A or B, these 2 can be programmed for either structure, and, of 3 course, as I said, we only have one B location. 4 rest of them are going to utilize the Class C 5 structure, whether we use one, two, or multiple groups 6 of lights. 7 The Class A structure is obstruction lights, of 8 course, white lights as described in Subpart 67.20, 9 and the sufficient candlepower has to be visible at a 10 distance of 5 nautical miles 90 percent of the nights 11 The display -- and they should be of the year. 12 displayed not less than 20' above the mean high water. 13 Okay. All of this is as per the 67 -- Subpart 67.05. 14 It could be -- and, of course, at the bottom, I don't 15 know whether you all can see it, but we have no 16 Class A structures, as I said a few seconds ago. 17 have no Class A structures on the project. 18 The Class B structures, as I said, we have one. 19 The obstruction lights for this one is also white 20 lights, as per the Subpart, and this one is a 3 mile, 21 90 percent of the nights, and, of course, again, 20' 22 above, not -- and then, of course, the Class B's can 23 go down to -- with the approval, down to a 10' above 24 The District Commander can also, on 25 mean sea level.

1	the Class B structures, if there is no hazard to	13
2	navigation, he can omit those lights.	
3	The Class C structures, of course, are the ones	
4	that we have the majority, 98 or more percent. They	
5	are white, only 1 nautical mile 90 percent of the	
6	nights of the year, and, of course, the District	
7	Commander the Coast Guard District Commander, he	
8	has a say so. He could actually remove lights from	
9	any of these sites in this particular class, if he	
10	sees fit, but, of course, we have asked to light these	
11	particular structures, so, of course, with our asking,	
12	they have they are approved.	
13	Let's see here. The Class C structures, when	
14	erected, they have to be they aren't required a	
15	light unless it is greater than 3', and, of course, as	
16	I said a few seconds ago, the Department of Natural	
17	Resources has requested that we light all of these	
18	structures, whether it be 3' or less.	
19	This is the again, the 3' or greater nautical	
20	mile Class B. We have one location where that one is	
21	going to be installed. Its components there are	
22	only four major components, the lens, the LED, light	
23	emitting device, and, of course, the flasher, and the	
24	housing, very simple. They do require an external	
25	source of power. It is PDA retrievable just in case	

1	you need to get any kind of data if something	1
2	happened. The little PDA you can link with a PDA,	
3	and it will tell you how long the light has been lit,	
4	all of the technical data of the light, itself. And,	
5	of course, it has black box capabilities, where it can	
6	give you all of the appropriate information.	
7	The Class C beacon is also PDA retrievable,	
8	totally self-contained. This one has a solar panel	
9	and a 6-volt battery built into it, PDA retrievable,	
10	black box, date/time stamp, all of the appropriate	
11	information. It is programmable to 1 or 2 nautical	
12	miles. Of course, 1 nautical mile is all that is	
13	required on this project. GPS synchronization is an	
14	option, and also local radio synchronization is	
15	another option. Remote control remote monitoring	
16	is also an option, if we if the Department of	
17	Natural Resources decides to do something like that	
18	with these sites.	
19	Okay. A 1 nautical mile light is equipped to	
20	transfer all critical data to a PDA, the LED status,	
21	power consumption, max and minimum, battery voltage,	
22	all of the technical data that this light that	
23	happens with this light is retrievable, the critical	
24	data. The customer may options are available for	
25	the customer to review the technical data report	

15 whenever you download this off of the -- into the PDA, 1 2 you can communicate that with a remote site, and you 3 can look at the information, the data, for some type 4 of managerial approval. 5 These are the fog horns that are installed on 6 locations throughout the Gulf. The one on the top 7 right is the one that we would be utilizing on the 8 They are Class A, B, and C structures, of 9 course, again. Fog signals are electrically powered and automatically broadcast in a 360-degree beam. 10 They are unattended operation, DC voltage, normally 11 12 solar panel or battery panel. This is some other technical information that are 13 on the Class C, which is the one that we will be using. 14 15 Of course, the Class C is erected or adjacent to the edge of a navigational waterway, fairways, or a line 16 17 of demarcation, that is what controls the application. The District Commander, of course, can decide where 18 19 they are. 20 Sound signals are required by paragraph (A) of this section and must have rated range of at least 21 22 one-half mile for Class C. The owner of the structure 23 shall operate the sound signal required by paragraph (A) of this section whenever the visibility in any 24 25 direction is less than 3 miles. The District

1 Commander can establish something greater if he -- up 16 2 to 5 miles, if he deems necessary. 3 Class C structures have sound signals for -sound signals if authorized by the District Commander 4 and the sound signal, of course, has to meet 67.10-1. 5 6 This, again, is the sound signal or fog horn that 7 we would be utilizing. That is the well site number 8 that would get it. The reason that the A is following 9 that well site number is because there is actually two 10 locations, and they are right next to each other. is the well, and there is a little protective platform 11 12 around the well. The other one is actually a platform. 13 14 The progression of the project, we have 86 of 166 sites completed, Priority 1A sites, 5 of 8; Priority 1 15 sites 35 of 50; Priority 2, 32 of 60; and the 16 Priority 3s are 14 of 48. 17 18 This is a Google map that I have -- that we have located all of these sites on this Google Earth map, 19 20 which should give you a little idea as to where these 21 things are concentrated -- the ones in this project, I 22 should say, are concentrated. 23 The other -- the following pictures are pictures 24 of completed sites. These were just automatically go through them, unless you want to progress through them 25

17 1 faster. 2 MR. WELSH: 3 What are the five-digit numbers; is that a -that is not a Conservation ID number is it? MR. FORSHEE: 5 The five-digit number, which -- the one at the 6 7 top? Yes, sir, that is the well number, that is --8 those are six digits, but the other one is -- some of them are five, and, yes, those are Department of 9 Natural Resources well site numbers. 10 11 MR. WELSH: 12 Okay. MR. FORSHEE: 13 All of these sites are in pretty good shape, the 14 ones that we've done so far, you know. The ones that 15 have wellheads on them, they are in pretty good shape. 16 There may be some damage to flow lines and things, but 17 18 the actual wellhead seems to be in pretty good shape, such as that one, where the flow line is broken, but 19 20 the wellhead, itself -- and we have found none leaking oil or any kind of hazard such as that. 21 22 MR. FREY: 23 Mr. Chairman, I see Mr. Canfield taking notes over 24 there. I have a legal question. The ownership of those structures, is it the owner

1	of record, is it the State? He presented something	18
2	relative to the responsibilities of the owner	
3	MR. CANFIELD:	
4	Correct. Ownership remains let me rephrase	
5	it.	
6	Ownership is not affected by the function of the	
7	site becoming orphaned. There may be, in some	
8	instances, depending upon the lease, if it is on a	
9	State water bottom, some way in which the State would	
10	have some type of responsibility, but not being in the	
11	Office of Mineral Resources or, you know, really	
12	proficient at hearing out those mineral lease	
13	provisions, I couldn't really say for sure, but from a	
14	regulatory standpoint, the obligation to P&A the wells	
15	and do all those things would still maintain with the	
16	orphaned operator, even though they have obviously	
17	shown an inability to take care of the problem to	
18	begin with. The case law on that is very strong.	
19	There is no doubt with it. As far as the actually	
20	ownership, it would depend upon the general property	
21	law principals and specific lease language, and since	
22	most of these are probably going to be on State water	
23	bottoms, it would depend on the mineral lease language	
24	in the State lease.	
25	MR FREY:	

All right. Thank you. 1 19 2 MS. WAGNER: 3 Thank you so much. 4 MR. FORSHEE: 5 You're welcome. 6 MR. LANCTOT: 7 Who monitors these as far as how they are 8 operating; is that part of the contract? 9 MS. WAGNER: 10 It is not part of the contract. It was just a 11 contract to install, and we are going to have --12 currently, the decision was made to have our inspectors in the field, as they are making their 13 14 rounds, to note the condition of the nav-aid, and we have Gulf Contractors on contract for three years to 15 repair or maintain if our inspectors notice that 16 17 something is malfunctioning. 18 MR. FORSHEE: 19 We have --20 MR. WELSH: 21 Can you talk into the mic, please? 22 MR. FORSHEE: 23 We have gone back and checked, within recent weeks, some of these sites that we have completed just 24 25 to make sure that everything is operating correctly

and that these things are performing as they should, 20 1 2 so -- and we have had no problems, so far. 3 MR. WELSH: 4 That's good. I have learned a lot. I don't 5 think I have ever really understood it too much, the 6 different colors, the heights, and all the 7 requirements. It's very interesting. 8 MR. FORSHEE: 9 There is a lot of information there that is 10 applicable, but the District Commander with the Coast 11 Guard, of course, can override about 90 percent of 12 33 C.F.R. MR. WELSH: 13 14 We didn't install any fog horns, did we? 15 MR. FORSHEE: 16 Only one. 17 MS. WAGNER: 18 One. 19 MR. WELSH: 20 Just one? Okay. 21 MR. HARPER: 22 Wasn't there a provision in the contract that it 23 was an option to allow the contractor to inspect the 24 wells once a year? 25 MS. WAGNER:

Yes, there was. 21 1 2 MR. HARPER: 3 A decision was made not to utilize that aspect. 4 MS. WAGNER: 5 It was not awarded at the time that the bid was 6 awarded. MR. HARPER: 8 Can we go back and award that? 9 MS. WAGNER: 10 I am going to have to check with the purchasing 11 rules on that, because I think the bid amount is only 12 good for 60 days. 13 MR. HARPER: How often will the Conservation enforcement agents 14 15 check the wells? MS. WAGNER: 16 17 Once a year. 18 MR. HARPER: 19 Once a year. 20 MR. WELSH: 21 The orphan wells -- or they are included in the 22 inventory of inspectoral units? 23 MS. WAGNER: 24 Right, but we've requested that these identified water locations are inspected yearly. 25

1	MR. WELSH:	22
2	Okay. Thank you.	
3	MR. LANCTOT:	
4	Is there you know, we've gone through all this	
5	trouble to put these lights up there, and our inspector	
6	is only going to check them once a year, and no matter	
7	how good the light might be, stuff can happen, you	
8	know. There might be one out there that is not	
9	working right now because of something, you know, and	
10	once a year doesn't sound like it's enough. And I	
11	think he explained that some of these, you can check	
12	with you can check remotely to see if they're	
13	operating and that kind of thing to where you do it	
14	from an office rather than having to ride 20 miles out	
15	to see a site. It seems to me that we ought to be	
16	checking on them more frequently than that. Because	
17	if there is a big wreck or something out there because	
18	a light has malfunctioned and we haven't checked in	
19	six month, that gives us more exposure than if we	
20	would have ignored the problem in the first place, you	
21	know. So I'm just raising that question that maybe	
22	there ought to be a routine check that is more	
23	frequent than once a year.	
24	MR. WELSH:	
25	We did look into the possibility of having other	

23 1 sister -- State agencies look at those lights --2 MS. WAGNER: And we did install a placard on each of these 3 4 locations with a phone number to call if they notice 5 that the well is leaking or if the navigational aid is 6 not functioning properly. 7 MR. FORSHEE: 8 That is the little sign that is right underneath 9 the light on the pole, and it's on every one of the 10 sites that we have installed one of these lights. 11 It's a placard that has been mounted on the pole under 12 the light. 13 And, yes, remote monitoring is an option, remote monitoring, and there is several options with these 14 15 lights, and that's the beauty of these things. just the cost. 16 MS. WAGNER: 17 18 The PDA part -- the PDA retrievable, is that part 19 of the --20 MR. FORSHEE: 21 The PDA could be able to go up to the light --22 you have to actually go to the light with the PDA. 23 Once you get in range with the light and you get next 24 to the light, then you press the button, and it 25 downloads all the data, and once it's downloaded, then

1	you can plug it into the computer, and then you can	24
2	transfer the data over to any remote location	
3	electronically, just like you would any other	
4	information from a computer. And whenever the project	
5	is finished, I will hand over these two I have two	
6	little PDA handheld devices, and I will turn those	
7	over to the Department of Natural Resources as part of	
8	the project completion. We utilize them at this time,	
9	because this is how you calibrate. This is how you	
10	turn them on and set them up, so on and so forth, with	
11	these little handheld PDA devices.	
12	MR. WELSH:	
13	Any further discussion?	
14	(No response.)	
15	MR. WELSH:	
16	Thank you.	
17	MR. FORSHEE:	
18	You're welcome.	
19	MS. WAGNER:	
20	Okay. If we'd move back to Page 7, active	
21	projects, Item 2 is the four-well Manila Village Field	
22	project that is located in the waters of Jefferson	
23	Parish. The four wells have been plugged and	
24	abandoned. Three wells counted towards the first	
25	quarter performance indicators, and one of those	

1	plugged and abandoneds will count towards the second 25
2	quarter performance indicators. The contractor is
3	still working on taking down the facility associated
4	with that project, and they estimate about two more
5	weeks to complete the facility removal site clearance
6	and a coast restoring survey. This project costs
7	totaled \$1,067,000.
8	Item No. 3 is a just-issued bid proposal in Red
9	River Parish. It consists of four wells and four
10	production pits. Page 17 of the handout illustrates
11	the wells completed in this project, and you can see
12	that two of the wells are currently leaking saltwater.
13	This project will result in two additional
14	high-priority scored wells removed from the orphan
15	list. Our mandatory site visit will be held on
16	November 2nd, and bid opening will be held
17	November 15th.
18	Moving to the projects completed section, the
19	project to clamp the leaking pipeline in Tigre Lagoon
20	Field, Vermilion Parish, was completed in August, at a
21	cost of \$53,660.00.
22	Item VI is Federal and third-party activities. We
23	continue to refer sites to the Environmental Protection
24	Agency for removal actions that we believe might meet
25	OPA 90 Federal removal qualifications. The EPA was

1	scheduled to begin removal actions on an orphan	26
2	facility in Greenwood-Waskom Field, Caddo Parish, this	
3	month, but due to their budget constraints, they have	
4	delayed the project's start date to mid-November.	
5	The United States Coast Guard has been active at	
6	two leaking orphan sites since we last met, one in	
7	Manila Village, Jefferson Parish, and the other	
8	located in Main Pass Block 25 of Plaquemines Parish.	
9	The Coast Guard will plug and abandon the orphan well	
10	located in Main Pass Block 25 Field at no expense to	
11	the Program. I have included a picture of this site	
12	on Page 18 in your handout. The site in Manila	
13	Village Field was reported leaking on Sunday,	
14	September 11th, and is associated with orphaned	
15	operator Cedyco Corporation. The U.S. Coast Guard	
16	employed Oil Mop to begin the spill cleanup and deploy	
17	absorbent and hard booms on location. Over-flight	
18	pictures from the Coast Guard are included on Page 19	
19	in your handout.	
20	The Coast Guard has hired Wild Well Control to	
21	evaluate the condition of the ten orphan wells that	
22	are associated with this facility in the Manila	
23	Village Field to determine whether the wells meet the	
24	potential threat definition for the Coast Guard to go	
25	ahead and plug and abandon these wells.	

1	Wild Well Control has recommended to the Coast 27
2	Guard, if they choose not to plug and abandon these
3	wells, that they at least set plugs in the tubing and
4	put pressure valves on the wellheads so that it gives
5	the Program time to plug and abandon these wells in
6	the future, and the Coast Guard has not yet made a
7	decision as to whether or not they are going to go
8	ahead and move forward with plug and abandonment or
9	just put plugs in the wellheads so that they are less
10	likely to leak.
11	Item VII on the agenda is the Commissioner's
12	annual report to the legislature on the status of the
13	Oilfield Site Restoration Program. It is included for
14	the record on Pages 20 through 23 in your handout.
15	The report details the Program's fiscal year 2011
16	performance as presented at the July Commission
17	meeting, and it satisfies the Commission's statutory
18	obligation to submit an annual report to the Senate
19	Committee on Natural Resources, the House Committee on
20	Natural Resources and Environment, and the Senate
21	Committee on Environmental Quality.
22	If we return to Item VIII on the agenda, new
23	business, and Item IX is old business if the
24	Commissioners have anything to bring up from the
25	coggion

1 MR. WELSH: 28 2 Any old business? 3 (No response.) 4 MS. WAGNER: 5 And I want to point out that I have included the 6 meeting schedule for the upcoming new year. 7 meetings will be January 19th, April 19th, July 19th, 8 and October 18, 2012, all at 1:30, and in this room. 9 MR. WELSH: 10 My only comment on that would be that April 19th meeting is during the session, and Committee quorums 11 12 are always hard to get at that time, but we will do 13 our best to have a quorum. 14 MR. LYONS: 15 Just a note, when I was looking at the numbers, 16 and we keep struggling to get over 500, but if you add 17 the orphan wells and the other Site Restoration 18 activities, you end up with about 3,500 sites 19 addressed in the Program. I'm looking on Page 5. 20 whether or not orphan wells, if you compare the wells, 21 there are activities -- there is a little over 1,000 22 activities under "other Site Restoration activities." 23 So, if you add those to the orphan wells, you get 24 about 3,500, and so, in a sense, you know, I'd point 25 out what you all have done, and it is very, very good,

29 1 you know. I mean, we want to get there, you know, 2 where the orphan wells are what we're over, but --3 MS. WAGNER: I'll take that as a compliment. 4 5 MR. LYONS: -- and I noticed too that only ten were abandoned 6 7 in the last few months, and that is good, that is good news, because prices are not real good, having -- doing 8 9 a little turning off, and gas prices are really bad, 10 and -- but only ten were added to the list. I think it is maybe a good indication -- I don't know why --11 12 you know, I wouldn't even speculate as to why those 13 numbers are there, but anyway, you are doing a great 14 job, and I think, you know, we need to express that to you as often as we can. It is a great program. 15 MS. WAGNER: 16 17 Thank you. 18 MR. LANCTOT: We could do a better job, if we had more money, 19 20 Mike. How do you think we could work on that? 21 MR. LYONS: 22 (No response.) 23 MR. LANCTOT: 24 This is the end of the term of the administration. 25 MR. WELSH:

1 Yes. 30 2 MR. LANCTOT: 3 And so everybody is going to have to be --MR. WELSH: 4 5 I think some appointments lap over into the new 6 administration. 7 MS. WAGNER: 8 Yes. 9 MR. LANCTOT: 10 Because we are not all -- do we have to reup --MR. LYONS: 11 There are different years, aren't there? I mean, 12 13 some of us are four years or three years or two years or one year? 14 15 MS. WAGNER: 16 Yes. 17 MR. LYONS: 18 I don't know why they stagger them that way, but some of us lap over, and we were reupped. 19 MR. LANCTOT: 20 21 Do we know that; does anybody have a record of 22 that? 23 MS. WAGNER: 24 I have a record. I don't have it with me, but I don't think anybody is expiring their term for another

1 31 year. 2 MR. LANCTOT: 3 Okay. I just don't like being on this Commission 4 when we -- when our times merge. 5 MR. WELSH: The only two that are not secure are the two guys 6 sitting in the middle here. 8 MR. LANCTOT: 9 Could she e-mail that around to everybody, just 10 to kind of give us a status of --11 MS. WAGNER: 12 When your term expires? MR. LANCTOT: 13 14 Right. I would appreciate that. 15 MS. WAGNER: 16 Yes, sir. MR. WELSH: 17 18 Okay. Is that --19 MS. WAGNER: 20 That is all I have. 21 MR. WELSH: 22 That is all you have. 23 Does anybody else have anything to discuss? 24 (No response.) 25 MR. WELSH:

		
1	I want to again thank you for coming, and the	32
2	best of the holiday season is coming up, and Happy	
3	New Year, and we have the schedule of next year's	
4	meetings.	
5	This meeting is adjourned.	
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CERTIFICATE

I, MICHELLE S. ABADIE, Certified Court Reporter, do hereby certify that the foregoing Oilfield Site Restoration Commission meeting was conducted before James Welsh, Commissioner of Conservation, on October 20, 2011, in the Department of Conservation Hearing Room, Baton Rouge, Louisiana; that I did report the proceedings thereof; that the foregoing pages, numbered 1 through 32, inclusive, constitute a true and correct transcript of the proceedings thereof.

MICHELLE S. ABADIE, CCR #24032

CERTIFIED COURT REPORTER

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